

REPORT Forest Certification



Mistik Management Ltd – 2026 PEFC CAN ST 1001:2025

In June 2026 an audit team from KPMG Performance Registrar Inc. (KPMG PRI) carried out the initial assessment of the Mistik Management Ltd. (Mistik) Defined Forest Area (DFA) against the requirements of the 2026 PEFC Canada ST 1001:2025 Sustainable Forest Management Standard. This Forest Certification Report provides an overview of the audit process and KPMG PRI's findings. KPMG PRI is a wholly owned subsidiary of KPMG LLP and is accredited by the standards Council of Canada to deliver sustainable forest management certification services to the 2026 PEFC CAN ST 1001:2025 Standard. The PEFC CAN ST 1001:2025 Standard replaces the CSA Z809 2016 Sustainable Forest Management Standard. Further information about KPMG PRI can be found [here](#).

Description of Mistik's Operations

The Mistik DFA PEFC FM certification covers the Mistik and L&M (NorthWind Forest Products) Forest Management Agreement (FMA) areas. The majority of the 878,510 hectare certified landbase is north-west of the community of Meadow Lake, Saskatchewan, with a smaller portion of the certified area being south of Meadow Lake.

Mistik Management Ltd. is a company that manages all forest management activities on the Mistik and L&M FMAs, supplying logs to the owners' mills: Meadow Lake Mechanical Pulp Inc. pulp mill; the NorSask Forest Products Inc. sawmill, and the Northwind Forest LP sawmill and post/rail mill.

Forest Management Context

The Mistik DFA is located in the boreal forest, and includes a mosaic of deciduous and coniferous forest, open and treed fens, bogs and water in northwest Saskatchewan. It is in the Boreal Plains Ecozone and is mostly within the Mid-Boreal Upland Ecoregion with a small southern portion of the FMA being in the Boreal Transition Ecoregion.

The ecosystem is fire-dominated, with forest fires occurring frequently in this area and often of considerable size. The fire return period for the FMA is approximately 45 years, resulting in relatively little old and very old forest (approximately 5-15% depending on the cover type), often present in small patches. On average, the area burned by forest fires annually is approximately 3-4 times the area that is harvested each year.

Where possible, Mistik plans harvesting areas as disturbance events using a single pass system. Employing a diversity of cutblock sizes and shapes, Mistik maintains a proportion of overstory structure and immature trees within harvested areas in an attempt to emulate the natural disturbance patterns imposed on the landscape by forest fires.

The area is managed under a government-approved Forest Management Plan (FMP). The approved Harvest Volume Schedule (HVS) comprising softwood sawlog, softwood pulp and hardwood volumes is 1,612,669 m³/year for the Mistik FMA, while the approved HVS for the L&M FMA is 136,232 m³/year.

Due to markets, the company continues to concentrate its operations in the southern two-thirds of the Mistik FMA, although it is working towards re-establishing a harvesting presence in the northern third of the FMA. Mistik applies a self-imposed AAC reduction that reflects the current reduced scope of its operations due to market conditions. The fact that the Company has yet to re-establish operations in the north is unlikely to have any long-term impact on Mistik's ability to meet the targets included in the FMP.



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The initial Mistik Management Ltd. CSA Z809 certification was granted on August 16, 2005, and is valid until September 13, 2026.

Audit Scope

The audit was conducted against all the requirements of the PEFC CAN ST 1001:2025 Standard, including those related to:

- The public participation process;
- Development and maintenance of the Sustainable Forest Management (SFM) plan;
- Monitoring of SFM performance, and
- Implementation of the various management system components (e.g., training programs, operational controls, monitoring and inspections, internal audits, etc.) that are required under the PEFC CAN ST 1001:2025 Standard.

The Audit

Background – Annual audits by an accredited Certification Body are required to assess the operation’s continuing conformance with the requirements of the PEFC CAN ST 1001:2025 Standard. In addition, full scope re-certification audits are required once every 5 years.

Audit Team – The audit was conducted by a four-person audit team comprising Gregor Macintosh, RPF (BC and SK) - Project Lead Auditor (LA); Shawn Ellsworth RPF (BC) – Auditor; Kai Sonnenburg, RPF (BC) - Auditor, and Camila Massaro FIT (BC) – Auditor. Members of the audit team are KPMG PRI employees and have conducted numerous audits to a variety of standards including ISO 14001, CSA Z809, SFI and FSC.

Document Review – DFA-specific off-site document reviews were completed prior to the field audit in order to assess management system documentation (e.g., SFM Plan and associated values, objectives, indicators and targets, documentation pertaining to the Public Advisory Group (PAG) process, etc.) and increase the efficiency of the field portion of the audit.

Initial Accreditation Assessment PEFC ST 1001:2025 - The audit also served as the PEFC ST 1001:2025 initial accreditation witness assessment by the Standards Council of Canada (SCC). Ms. Mona Mahbod was the SCC assessor.

Field Audit – The on-site field audit included interviews with staff working at the time of the audit as well as contractors. The audit team conducted field assessments of a large number of field sites (18 roads, 28 harvest units, 3 silviculture sites, 2 purchase wood sites and 2 large crossings) to assess the Company’s planning, harvesting, silviculture, and road construction, maintenance and deactivation practices. The 2026 audit took approximately 19 auditor days to complete, 11 of which were on-site from June 22 to 26, 2026. The balance of audit time was spent preparing the audit plan, conducting off-site document reviews, completing various audit checklists and preparing the main and public summary audit reports.

Mistik Management Ltd. 2026 PEFC CAN ST 1001:2025 Findings

Open non-conformities from previous audits	0
New major non-conformities	1
New minor non-conformities	2
Now opportunities for improvement	3

Types of audit findings

Major non-conformities:

Are pervasive or critical to the achievement of the SFM Objectives.

Minor non-conformities:

Are isolated incidents that are non-critical to the achievement of SFM Objectives.

All non-conformities require the development of a corrective action plan within 30 days of the audit. Corrective action plans to address major non-conformities must be fully implemented by the operation within 3 months or certification cannot be achieved / maintained. Corrective action plans to address minor non-conformities must be fully implemented within 12 months.

Opportunities for Improvement:

Are not non-conformities but are comments on specific areas of the SFM System where improvements can be made.

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Mistik SFM / EMS Representative – Ms. April Lesko, RPF, served as the SFM system/EMS representative during the audit.

Risk Assessment and Use of Remote Technologies

In preparation for the audit, KPMG PRI conducted an assessment of risk factors. These include:

- Nature, complexity and scale of Mistik’s operations;
- Stakeholders and Mistik’s process for engagement;
- KPMG PRI auditor qualifications and competence;
- Assessing the need for technical expertise on the audit team;
- Total audit time onsite and pre & post audit.

There was no use of remote technologies during the audit.

Audit Objectives

The objectives of the audit were to evaluate the sustainable forest management system on the Mistik DFA to:

- Determine conformance with the PEFC Canada ST 1001:2025 Sustainable Forest Management Standard.
- Evaluate the ability of the system to ensure that Mistik Management Ltd. meet applicable regulatory requirements;
- Evaluate the effectiveness of the system in ensuring that Mistik Management Ltd. meet their specified objectives, and; Where applicable, identify opportunities for improvement.

These objectives were met.

Good Practices

The following good practices were noted during the audit:

- Mistik is working with local First Nations groups to update key documents to include the Cree names of plant and animal species.
- Acquisition of drone and/or LiDAR imagery and terrain modeling to assess conformance to EMS requirements for private land where Mistik has purchased wood.
- Field visits confirmed consistent planting of slash pile burn areas. This required additional visits following initial planting of the cutblock.
- Working with the community of Green Lake, Tolko Meadow Lake OSB and the Saskatchewan Public Safety Agency to establish fireguards around the community.



A temporary crossing installed by Mistik to maintain access across a wet area. The elevated crossing structure minimizes disturbance to the watercourse and reduces soil disturbance.



An existing community trail was preserved within Mistik’s operational area demonstrating consideration of stakeholder interests and integration of recreational access.

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Follow-up on Findings from Previous Audits

At the time of this assessment there were a total of 4 open minor non-conformities from the previous CSA Z809 audit. The audit team reviewed the implementation of the action plans developed by Mistik to address these issues and found that they had been effectively implemented for three of the non-conformities. These non-conformities are now closed. However, the corrective action plan for one non-conformity (2025 NC-01) had not been completely implemented resulting in this non-conformity being raised to a major non-conformity.

Audit Conclusions in Relation to Significant Concerns Raised by Third Parties during the Audit

In preparation for the audit sixty-five stakeholders (Public Advisory Group members, local Aboriginal communities, regulatory agencies, DFA workers or other interested parties) were contacted by the audit team. During the audit process KPMG PRI received comments regarding Mistik management practices from eleven stakeholders. No significant concerns were brought to the attention of the audit team by third parties during the audit.

New Areas of Nonconformance

The audit identified two minor non-conformities during the PEFC Canada ST 1001:2025 Standard initial assessment of the Mistik Management Ltd. woodlands operations. Additionally, non-conformity 2025 NC-01 was elevated to a Major non-conformity.

2025-NC-01 (updated June 26, 2026)

PEFC ST 1001:2025 Requirement: 7.5.2 Corrective Action

Non-conformity: Major - elevated from Minor non-conformity 2025 NC-01.

Evidence: Revisions to EMS Form 013 CAR, Section B Review of Corrective Action/Root Cause Analysis to include additional details regarding measures to assess effectiveness had not been completed as per the CAR plan submitted to KPMG PRI in 2025.

2026-NC-02

PEFC ST 1001:2025 Requirement: 4.3 Sale of certified products

Non-conformity: Minor

Evidence: Mistik has not developed a template to demonstrate how they will communicate PEFC FM claims when and if required.



Reforestation of harvest slash burn piles increases the in-block reforested area.



Aspen regeneration in a machine fire guard.

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2026-NC-03

PEFC Requirements: 6.3.2.1 General

Non-conformity: Minor

Evidence: There are no specifications on coarse woody debris post-harvest targets including minimum and maximum amounts.

In addition, Mistik currently requires that for every hectare harvested at least 2 stems (live or dead) must be retained. A field review of several field sites revealed instances where this requirement is not being met.

Opportunities for Improvement

In addition to the above non-conformities, the audit observed the following opportunities for improvement.

2026-OFI-01:

7.4.7. Emergency preparedness and response - During the audit several machines were checked for spill kits and fire equipment. One isolated incident of one buncher operating in 23 Waterhen Cut across Block 04-023-029 was noted without a spill kit and without fire tools.

2026-OFI-02:

5.2.2 Level of participation and support in training and skills development - There is an opportunity to further strengthen communication and reinforcement of training at the field level to promote more consistent awareness across all crews. At one field site, contractor supervisors had received Mistik training, however, it was observed that some equipment operators on site were not familiar with the operational map for their work area and demonstrated varying levels of awareness of BMPs, environmental values, and Mistik's certification requirements.

2026-OFI-03:

6.1 DFA-specific performance requirements - The Annual Report and supporting SFM documentation include analytical forecasts for future habitat supply, age class distribution, old and very old forest, harvest event size distribution, net carbon uptake, and reforestation success. While Mistik staff were able to explain the forecast outputs during the interview, an opportunity exists to better document the methods, assumptions, and limitations used for making the forecast.



Mistik contractor use of monitors in their harvesting equipment to ensure adherence with the in-block harvest plan.

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Corrective Action Plans

Evidence of closure for 2025 NC-01 (Major) has been provided to KPMG PRI and has been reviewed and accepted. 2025 NC-01 is now closed.

Written corrective action plans that are designed to address the root causes of the two minor non-conformities were provided to KPMG PRI after the audit and were reviewed by KPMG PRI for adequacy and approved. Implementation of these corrective actions will be assessed at the next scheduled audit.

Audit Conclusions

The audit found that the Mistik's SFM system:

- Is in conformance with the PEFC Canada ST 1001:2025 Standard requirements included within the scope of the audit except where otherwise noted in this report;
- Has been effectively implemented, and
- Is sufficient to systematically meet the commitments included in the SFM Plan, provided that the system continues to be implemented and maintained as required.

Focus Areas for 2027 Audit

- Contractor awareness of operational EMS/SFM requirements
- Contractor self reporting of incidents
- Streamlining of incident reporting and tracking of Corrective Actions
- Hunting Lakes Rd. culvert repairs
- Contractor disposal of hazardous waste

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Through KPMG PRI, KPMG's Vancouver based forestry group is accredited to register forest companies to ISO 9001, ISO 14001, PEFC-SFM, SFI and PEFC certification standards.